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Expert Meeting on Consumer Interests, Competitiveness
Competition and Development
Geneva, 17-19 October 2001

RECOMMENDATIONS

of the
Regional Seminar on Consumer Policy, Competition Policy,
Competitiveness and Development

Accra, Ghana
20-21 August 2001

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INTRODUCTION

1. The Regional Seminar on Consumer protection, Competition Policy, Competitiveness and Development was organized by UNCTAD in cooperation with the Ministry of Trade and Industry of Ghana and The Consumer International Regional Office for Africa. The Seminar was held in Accra from 20 to 21 August 2001.

2. This meeting was one of four regional preparatory seminars held prior to the Expert Meeting on Consumer Interests, Competitiveness, Competition and Development Policy to be held in Geneva from 17 to 19 October 2001. The first regional meeting was held in Cartagena (Colombia) on 23-25 July; and the other two will take place in Goa (India) on 10-11 September 2001 and in Bishkek (Kyrgyzstan) on 1-2 October 2001.

3. The Seminar was attended by over 40 participants from 17 African countries representing consumer organizations, government agencies dealing with consumer affairs, and competition agencies. The Seminar examined the new dimensions of consumer concerns arising from globalization, especially as they relate to Africa, the effects of economic reforms, including privatization, deregulation and increased competition on consumer welfare, consumer access to damage redress, and representation. It also reviewed the experiences of the different African countries which made presentations on the experience gained in the formulation and enforcement of consumer protection legislation.

4. Presentations were also made by heads of competition agencies on their roles in promoting consumer welfare, as well as their interaction and cooperation with other government agencies and consumer representatives in raising awareness and advocating consumer rights.

5. The meeting was opened and closed by the Deputy Minister for Trade and Industry of Ghana, Dr. Bonface Abukatar Saddiqué. The meeting adopted a set of recommendations for consideration and appropriate action by the Expert Meeting on Consumer Interests, Competitiveness, Competition and Development, Geneva, 17-19 October 2001.

RECOMMENDATIONS

6. Whilst recognizing that globalization and the liberalization of trade in goods and services may have the potential to improve the circumstances of consumers in many countries, the meeting also recognized that these processes also pose major challenges in the area of consumer welfare and access to redress. The role of transnational corporations was noted as deserving particular attention in this regard.

7. It was further recognized that the deregulation of African economies and the drive to limit the role of Governments in the market place had in most cases been effected with scant regard for consumer welfare and in the absence of an institutional and legal framework for consumer protection. The processes of deregulation and liberalization have thus exposed African consumers to unsafe products and services and fraudulent or monopolistic business practices.

8. The meeting recognized that the problems of African consumers stem in part from their social circumstances, including lack of purchasing and bargaining power, and lack of knowledge and understanding of markets, mobility and ability to make an informed choice, and reaffirmed the need for specific action to address the special needs of consumers in Africa.

9. Competition and consumer protection policies should take into account the goals of eradicating poverty, satisfying the basic human needs of all members of society, and reducing inequality within countries. The meeting reaffirmed that, when properly implemented, competition and consumer policy can contribute significantly to sustainable development. The meeting recognized that national regimes for consumer protection would need to protect consumers and promote sustainable consumption patterns without imposing undue constraints on business, in order to achieve the development and growth of effective markets.

10. In the light of these findings, the meeting tables the following recommendations for consideration by the Expert Meeting to be held in Geneva in October 2001:

At the governmental level

1. Governments are urged to take the necessary steps to operationalize the UN Guidelines as a matter of urgency and in this regard incorporate consumer protection in their macroeconomic and legal framework. In this respect, African Governments should also take account of the interests of their consumers and actively negotiate on their behalf when entering into binding international agreements.

2. African Governments should develop and maintain strong competition and consumer protection policies which are mutually reinforcing with a view to promoting consumer welfare, competitive markets and competitiveness.

3. In applying competition law or any regulations, due care should be taken to ensure that measures for consumer protection are implemented for the benefit of all sectors of the population, particularly the poor.

4. Governments are called upon to take into account consumer views and interests at all levels of their policy-making and decision-making processes and in this respect create specific channels and mechanisms for dialogue with consumers and their representative organizations. In this regard, Governments are further called upon to recognize the important role that consumer representative organizations can play and support their activities.

5. Special attention should be given by Governments to ensuring both adequate resources and independence for consumer protection and competition enforcement agencies.

6. In advancing consumer interests in Africa, Governments should give priority to areas of essential health concern for the African consumer such as food, water and pharmaceuticals. Particular attention should be given to policies for product quality control, adequate and secure water distribution facilities, standardized international labeling and information.

7. Governments are encouraged to include consumer policy in the education curricula.

8. Bearing in mind the need to reach rural consumers and illiterate consumers, Governments should, as appropriate, develop or encourage the development of consumer information programmes in the mass media.

9. African consumer associations should develop joint training and information programmes. The aim of such programmes should be to enable people to act as discriminating consumers, capable of making an informed choice of goods and services and conscious of their rights and responsibilities. Governments, business, universities and other organizations of civil society should be involved in these educational and information efforts.

10. Enterprises should obey the relevant laws and regulations of the countries in which they do business. They should also conform to the appropriate provisions of international standards for consumer protection. The potential negative effects of distribution systems and the pricing of certain products, including pharmaceuticals, should be considered by enterprises when doing business in poor countries.

<u>At the level of the consumer organisations</u>

1. Consumer organisations are urged, on their part, to familiarize themselves fully with the UN Guidelines in order to be able to play their role of educating their members and contributing to their welfare.

2. Consumer organizations are called upon to invest in research capacities and stay abreast of international developments which affect the interests of the consumer In this respect, they are encouraged to participate more effectively in international fora to advance and safeguard African consumer views and interests.

3. African consumer associations should develop joint training and information programmes in cooperation with Governments, business, academic institutions and other civil society organizations.

At the international level

1. International development partners are called upon to provide technical assistance in the areas of capacity building at the human resource and institutional level for the formulation of consumer policy and its enforcement. In this regard, technical assistance should target both Governments and consumer organizations.

2. The United Nations is called upon to take stock of the UN Guidelines for Consumer Protection and review the extent of their implementation, and report to member States through its appropriate intergovernmental machinery.

3. UNCTAD is requested to publish and make available, in both hard and electronic form, the UN Guidelines for the Protection of the Consumer as expanded in 1999.

4. The United Nations, together with other international organizations, is called upon to acknowledge the importance of preserving consumer welfare in processes of globalization.